

MINUTES, REGULAR MEETING
CITY COUNCIL, CITY OF LA CRESCENT, MINNESOTA
APRIL 25, 2022

Pursuant to due call and notice thereof, the second meeting of the City Council of the City of La Crescent for the month of April was called to order by Mayor Mike Poellinger at 5:30 PM in the La Crescent Community Building, La Crescent, Minnesota, on Monday, April 25, 2022.

Upon a roll call taken and tallied by the City Administrator, the following members were present: Members Ryan Hutchinson, Cherryl Jostad, Teresa O'Donnell-Ebner, Dale Williams, and Mayor Mike Poellinger. Members absent: None. Also present were City Administrator Bill Waller, City Attorney Skip Wieser, Deputy Clerk Angie Boettcher, and Administrative Assistant Chris Fortsch.

Also in attendance were: Tammy Omdal, Northland Securities, Lucas Onstad and Kelly Petersen, Houston County Assessors, and John Conway, Winona County Assessor.

Mayor Poellinger asked if anyone wished to take action to change the agenda as presented. There were no changes requested.

ITEM 1 – CONSENT AGENDA

At this time, the Mayor read the following items to be considered as part of the Consent Agenda for this regular meeting:

- 1.1 MINUTES – APRIL 11, 2022
- 1.2 BILLS PAYABLE THROUGH APRIL 22, 2022
- 1.3 CASH BALANCE/ACTIVITY REPORT – MARCH 2022
- 1.4 LIBRARY REPORT – MARCH 2022

At the conclusion of the reading of the Consent Agenda, Mayor Poellinger asked if the Council wished to have any of the items removed from the Consent Agenda for further discussion. It was recommended to amend the April 11, 2022 Minutes regarding Item 3.8 - Authorize Engineering – Crossing Improvement as follows:

ITEM 3.8 – AUTHORIZE ENGINEERING-CROSSING IMPROVEMENT

City Engineer, Tim Hruska, reviewed with City Council the Elm Street Crossing Improvements. In 2021 a demonstration project was installed at Elm Street and South 4th and South 6th Street intersections. It is suggested that the City and Houston County proceed to make certain improvements to both of these intersections, including minor curb modifications and the installation of rapid flashing beacons. It is proposed that the City would pay the engineering costs related to the project, and that the construction costs would be split equally between the City and the **County**. It is expected that the engineering costs will be \$12,000 to \$15,000. Grants will be sought out for a portion of the construction costs. It is unclear if this will be a 2022 or 2023 project. It is suggested that City Council authorize WHKS to proceed with the preparation of plans and specifications for the proposed improvement project.

Member Hutchinson made a motion, Seconded by Member Williams, as follows:

MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED INCLUDING AN AMENDMENT TO THE APRIL 11, 2022 MINUTES REGARDING ITEM 3.8 – AUTHORIZE ENGINEERING – CROSSING IMPROVEMENT.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Item 3.1 – 2022 Bond Sale Award Resolution was reviewed prior to Item 2 – Board of Appeal Meeting.

ITEM 3.1 – 2022 BOND SALE AWARD RESOLUTION

Tammy Omdal from Northland Securities reviewed with City Council the 2022A Bond Sale Award and Resolution. The City Moody's rating remains at "A1." It was recommended to City Council to adopt the Resolution. Following discussion, Member Williams introduced the following resolution and moved its passage and adoption:

RESOLUTION NO. 04-22-17

**RESOLUTION ACCEPTING PROPOSAL ON THE SALE OF \$2,585,000
GENERAL OBLIGATION BONDS, SERIES 2022A, PROVIDING FOR THEIR
ISSUANCE AND LEVYING A TAX FOR THE PAYMENT THEREOF**

- A. WHEREAS, the City Council of the City of La Crescent, Minnesota (the "City") has heretofore determined and declared that it is necessary and expedient to issue \$2,585,000 General Obligation Bonds, Series 2022A (the "Bonds" or individually a "Bond") pursuant to Minnesota Statutes, Chapter 475; and
1. Section 475.58, Subdivision 3b, to finance street reconstruction projects under the City's 2021 through 2025 Street Reconstruction Plan, dated February 24, 2020 (the "Street Reconstruction Projects");
 2. Section 475.521 to finance the acquisition and betterment of a new public library, expansion for fire department building and new city hall (the "Capital Improvements");
 3. Section 412.301 to finance the acquisition of capital equipment for the City (the "Equipment");

B. WHEREAS, on February 24, 2020, following duly published notice thereof, the Council held a public hearing on the issuance of approximately \$3,000,000 principal amount of bonds to finance the Street Reconstruction Projects and all persons who wished to speak or provide written information relative to the public hearing were afforded an opportunity to do so; and

C. WHEREAS, no petition signed by voters equal to 5 percent of the votes cast in the City in the last municipal general election requesting a vote on the issuance of the street reconstruction bonds has been filed with the City Administrator within 30 days after the public hearing on February 24, 2020; and

D. WHEREAS, on March 14, 2022, the City Council held a public hearing on the proposed issuance of general obligation capital improvement plan bonds and, pursuant to resolution approved and adopted the 2022 through 2026 Five-Year Capital Improvement Plan (the "Plan"), and approved the issuance of general obligation capital improvement plan bonds to finance the acquisition and betterment of the Capital Improvements all pursuant to the Plan and in accordance with the provisions of Minnesota Statutes, Section 475.521; and

E. WHEREAS, no petition signed by voters equal to five percent of the votes cast in the City in the last general election requesting a vote on the issuance of the general obligation capital improvement plan bonds has been filed with the City Administrator within 30 days after the public hearing on the Plan and on the issuance of the general obligation capital improvement plan bonds; and

F. WHEREAS, there are currently no other capital improvement plan bonds outstanding; and

G. WHEREAS, the maximum principal and interest to become due in any year on the Capital Improvements Portion of the Bonds, issued under Minnesota Statutes, Section 475.521, is less than 0.16 percent of the estimated market value of property in the City.

H. WHEREAS, the Equipment to be financed by the Equipment Portion of the Bonds has an expected useful life at least as long as the term of the Equipment Portion of the Bonds; and

I. WHEREAS, the principal amount of the Equipment Portion of the Bonds does not exceed one-quarter of one percent (0.25%) of the estimated market value of the taxable property in the City (\$490,595,500 times 0.25% is \$1,226,488.75); and

J. WHEREAS, the Bonds, together with any outstanding bonds of the City that are subject to the City's net debt limit, do not exceed the City's net debt limit; and

K. WHEREAS, the City has retained Blue Rose Capital Advisors, in Minneapolis, Minnesota, as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

L. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of La Crescent, Minnesota, as follows:

1. Acceptance of Proposal. The offer of Northland Securities, Inc. (the "Purchaser"), to purchase the Bonds of the City (or individually, a "Bond"), in accordance with the terms and at the rates of interest hereinafter set forth, and to pay therefor the sum of \$2,553,383.45, plus interest accrued to settlement, is hereby accepted.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated May 18, 2022, as the date of original issue and shall be issued forthwith on or after such date in fully registered form, shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall mature on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$135,000	2034	\$95,000
2025	140,000	2035	95,000
2026	150,000	2036	105,000
2027	150,000	2037	105,000
2028	155,000	2038	110,000
2029	160,000	2039	115,000
2030	160,000	2040	115,000
2031	165,000	2041	120,000
2032	165,000	2042	120,000
2033	95,000	2043	130,000

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Allocation. The aggregate principal amount of \$1,455,000 maturing in each of the years and amounts hereinafter set forth are issued to finance the Street Reconstruction Projects (the "Street Reconstruction Portion of the Bonds"). The aggregate principal amount of \$475,000 maturing in each of the years and amounts hereinafter set forth are issued to finance the Capital Improvements (the "Capital Improvements Portion of the Bonds") The aggregate principal amount of \$655,000 in each of the years and amounts hereinafter set forth are issued to finance the Equipment (the "Equipment Portion of the Bonds").

<u>Year</u>	<u>Street Reconstruction Portion</u>	<u>Capital Improvements Portion</u>	<u>Equipment Portion</u>	<u>Total</u>
2024	\$55,000	\$15,000	\$65,000	\$135,000
2025	55,000	20,000	65,000	140,000
2026	60,000	20,000	70,000	150,000
2027	60,000	20,000	70,000	150,000
2028	60,000	20,000	75,000	155,000
2029	65,000	20,000	75,000	160,000
2030	65,000	20,000	75,000	160,000
2031	65,000	20,000	80,000	165,000
2032	65,000	20,000	80,000	165,000
2033	70,000	25,000		95,000
2034	70,000	25,000		95,000
2035	70,000	25,000		95,000
2036	80,000	25,000		105,000
2037	80,000	25,000		105,000
2038	85,000	25,000		110,000
2039	85,000	30,000		115,000
2040	85,000	30,000		115,000
2041	90,000	30,000		120,000
2042	90,000	30,000		120,000
2043	100,000	30,000		130,000

If Bonds are prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of Bonds treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, including the levy of taxes, the prepayment may be allocated to any of the portions of debt service in such amounts as the City shall determine.

(c) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its

successors or its successors to its functions hereunder (the “Depository”) will act as securities depository for the Bonds, and to this end:

- (i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the “Book Entry Only Period”), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.
- (ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee")
- (iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (“Participant”) or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the “Holder”). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.
- (iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

- (v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.
 - (vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations")
 - (vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.
 - (viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.
 - (ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.
- (d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:
- (i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.
 - (ii) Upon termination of the services of the Depository as provided in the preceding

paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.

(e) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Street Reconstruction Portion of the Bonds shall provide funds to finance the Street Reconstruction Projects. The Capital Improvements Portion of the Bonds shall provide funds to finance the acquisition and betterment of the Capital Improvements. The Equipment Portion of the Bonds shall provide funds to finance acquisition of the Equipment. The Street Reconstruction Projects, the Capital Improvements and the Equipment are herein referred to together as the "Project". The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Project proceeds with due diligence to completion and that any and all permits and studies required under law for the Project are obtained.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2023, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<u>Maturity Year</u>	<u>Interest Rate</u>	<u>Maturity Year</u>	<u>Interest Rate</u>
2024	3.00%	2034	3.15%
2025	3.00	2035	3.15
2026	3.00	2036	3.30
2027	3.00	2037	3.30
2028	3.00	2038	3.30
2029	3.00	2039	3.30
2030	3.00	2040	3.45
2031	3.00	2041	3.45
2032	3.00	2042	3.45
2033	3.15	2043	3.45

5. Redemption. All Bonds maturing on February 1, 2031 and thereafter, shall be subject to

redemption and prepayment at the option of the City on February 1, 2030, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds thirty (30) days prior to the date fixed for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Northland Trust Services, Inc., in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF
AMERICA STATE OF
MINNESOTA
HOUSTON AND WINONA COUNTIES CITY
OF LA CRESCENT

R- _____

\$ _____

GENERAL OBLIGATION BOND, SERIES 2022A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1,	May 18, 2022	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of La Crescent, Houston and Winona Counties, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, unless called for earlier redemption, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on February 1 and August 1 of each year (each an "Interest Payment Date"), commencing February 1, 2023, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Northland Trust Services, Inc., in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer, acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing on February 1, 2031, and thereafter, are subject to redemption and prepayment at the option of the Issuer on February 1, 2030, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts

within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar.

Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds at least thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$2,390,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on April 25, 2022 (the "Resolution"), for the purpose of providing money to finance street reconstruction projects, acquisition and betterment of a new public library, expansion for fire department building and new city hall and acquisition of capital equipment.

This Bond is payable out of the General Obligation Bonds, Series 2022A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered

Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligation. This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law; and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof

and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of La Crescent, Houston and Winona Counties, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its City Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration

Registrable by: NORTHLAND TRUST SERVICES, INC.

Payable at: NORTHLAND TRUST SERVICES, INC.

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

CITY OF LA CRESCENT,
HOUSTON COUNTY, MINNESOTA

This Bond is one of the Bonds described in the Resolution mentioned within.

NORTHLAND TRUST SERVICES, INC.
Minneapolis, Minnesota
Bond Registrar

/S/ Facsimile _____
Mayor

By: _____

Authorized Signature

/S/ Facsimile _____

City Administrator

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM- as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____

(Cust)

(Minor)

under the _____ Uniform

(State)

Transfers to Minors Act

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

.....the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not affect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and address:

(Include information for all joint owners if the Bond is held by joint account.)

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and City Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of May 18, 2022. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar

may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Tights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar

whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. There is hereby established a special fund to be designated "General Obligation Bonds, Series 2022A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "Capital Account" and "Debt Service Account", respectively.

(a) Capital Account. To the Capital Account there shall be credited the proceeds of the sale of the Bonds, less capitalized interest. From the Capital Account there shall be paid all costs and expenses of constructing and acquiring the Project, including the cost of any construction contracts heretofore let and all other costs incurred and to be included of the kind authorized in Minnesota Statutes, Section 475.65. Moneys in the Capital Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of taxes herein levied or covenanted to be levied; and provided further that if upon completion of the Project there shall remain any unexpended balance in the Capital Account the balance shall be transferred by the Council to the Debt Service Account.

(b) Debt Service Account. There shall be maintained three (3) separate subaccounts in the Debt Service Account to be designated the "Street Reconstruction Debt Service Subaccount", the "Capital Improvements Debt Service Subaccount" and the "Equipment Debt Service Subaccount." There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

(i) Street Reconstruction Debt Service Subaccount. To the Street Reconstruction Debt Service Subaccount there shall be credited: (A) capitalized interest in the amount of \$32,747.69 (together with interest earnings thereon and subject to such other adjustments as are appropriate) to provide sufficient funds to pay interest due on the Street Reconstruction Portion of the Bonds on or before February 1, 2023; (B) all collections of all taxes herein or hereinafter levied for the payment of the Street Reconstruction Portion of the Bonds and interest thereon; (C) a pro rata share of all funds remaining in the Capital Account after completion of the Street Reconstruction Projects and payment of the costs thereof; (D) all investment earnings on funds held in the Street Reconstruction Debt Service

Subaccount; and (E) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Street Reconstruction Debt Service Subaccount. The Street Reconstruction Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Street Reconstruction Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

- (ii) Capital Improvements Debt Service Subaccount. To the Capital Improvements Debt Service Subaccount there shall be credited: (A) capitalized interest in the amount of \$10,694.52 (together with interest earnings thereon and subject to such other adjustments as are appropriate) to provide sufficient funds to pay interest due on the Capital Improvements Portion of the Bonds on or before February 1, 2023; (B) all collections of all taxes which herein or hereafter levied for the payment of the principal and interest on the Capital Improvements Portion of the Bonds; (C) a pro rata share of all funds remaining in the Capital Account after completion of the Project and payment of the costs thereof; (D) all investment earnings on funds held in the Capital Improvements Debt Service Subaccount; and (E) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Capital Improvements Debt Service Subaccount. The Capital Improvements Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Capital Improvements Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.
- (iii) Equipment Debt Service Subaccount. To the Equipment Debt Service Subaccount there shall be credited: (A) capitalized interest in the amount of \$13,809.58 (together with interest earnings thereon and subject to such other adjustments as are appropriate) to provide sufficient funds to pay interest due on the Equipment Portion of the Bonds on or before February 1, 2023; (B) all collections of all taxes which herein or hereafter levied for the payment of the interest on the Equipment Portion of the Bonds; (C) a pro rata share of all funds remaining in the Capital Account after completion of the Project and payment of the costs thereof; (D) all investment earnings on funds held in the Equipment Debt Service Subaccount; and (E) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Equipment Debt Service Subaccount. The Equipment Debt Service Subaccount shall be used solely to pay the principal and interest and any premiums for redemption of the Equipment Portion of the Bonds.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Capital Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor position" made available under the federal arbitrage regulations. Money in the Fund

shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Covenants Relating to the Street Reconstruction Portion of the Bonds.

(a) Tax Levy. To provide moneys for payment of the principal and interest on the Street Reconstruction Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Years of Tax Levy</u>	<u>Years of Tax Collection</u>	<u>Amount</u>
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See Attached Schedule in Exhibit A

(b) Coverage Test. The tax levies are such that if collected in full they, together with and other revenues herein pledged for the payment of the Street Reconstruction Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Street Reconstruction Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Street Reconstruction Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3

17. Covenants Relating to the Capital Improvements Portion of the Bonds.

(a) Tax Levy. To provide moneys for payment of the principal and interest on the Capital Improvements Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
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See Attached Schedule in Exhibit A

(b) Coverage Test. The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Capital Improvements Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Capital Improvements Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Capital Improvements Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

18. Covenants Relating to the Equipment Portion of the Bonds.

(a) Tax Levy. To provide moneys for payment of principal and interest on the Equipment Portion of the Bonds, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Years of Tax Levy</u>	<u>Years of Tax Collection</u>	<u>Amount</u>
--------------------------	--------------------------------	---------------

See Attached Schedule in Exhibit A

(b) Coverage Test. The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Equipment Portion of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Equipment Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Equipment Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

19. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

20. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

21. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the

Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a “Reimbursement Expenditure”).

The City hereby certifies and/or covenants as follows:

(a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a “Declaration”) which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the “Project”) and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) “preliminary expenditures” for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the “issue price” of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or 5% of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The “reimbursement allocation” described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds, and not later than three years after the later of (i) the date of the payment of the Reimbursement Expenditure, or (ii) the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

22. Certificate of Registration. A certified copy of this resolution is hereby directed to be filed in the offices of the County Auditors of Houston and Winona Counties, together with such other information as the County Auditors shall require, and to obtain the County Auditor's Certificate that the Bonds have been entered in the Bond Register and the tax levies required by law have been made.

23. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the “Rule”), promulgated by the Securities and Exchange Commission (the “Commission”) pursuant to the

Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

- (a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at www.emma.msrb.org in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.
- (b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.
- (c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such occurrence.
- (d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and City Administrator of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

24. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

25. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

26. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation

(i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment

earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small-issuer exception amount of \$5,000,000.

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that (i) the Bonds are issued by a governmental unit with general taxing powers; (ii) no Bonds are a private activity bond; (iii) 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and (iv) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all entities subordinate to, or treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(±)(4)(D) of the Code.

27. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2022 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2022 have been designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

28. Official Statement. The Official Statement relating to the Bonds prepared and distributed by the Purchaser is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

29. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

30. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

EXHIBIT A

TAX LEVY SCHEDULE

Collection Levy Year	2021 Street Year	2022 Street Reconstruction	2022 Street Reconstruction	Equipment	CIP	Total Levy
2022	2023	27,342.00	79,335.38	88,882.50	31,728.38	227,288.25
2023	2024	26,869.50	78,075.38	86,835.00	36,505.88	228,285.75
2024	2025	26,397.00	82,065.38	90,037.50	35,875.88	234,375.75
2025	2026	25,924.50	80,647.88	87,832.50	35,245.88	229,650.75
2026	2027	25,452.00	79,230.38	90,877.50	34,615.88	230,175.75
2027	2028	24,979.50	83,062.88	88,515.00	33,985.88	230,543.25
2028	2029	24,507.00	81,487.88	86,152.50	33,355.88	225,503.25
2029	2030	24,034.50	79,912.88	89,040.00	32,725.88	225,713.25
2030	2031	23,562.00	78,337.88	86,520.00	32,095.88	220,515.75
2031	2032	23,089.50	82,012.88		36,715.88	141,818.25
2032	2033	22,593.38	80,193.75		35,889.00	138,676.13
2033	2034	22,097.25	78,374.63		35,062.13	135,534.00
2034	2035	26,851.13	81,805.50		34,235.25	142,891.88
2035	2036	26,158.13	79,726.50		33,369.00	139,253.63
2036	2037	25,465.13	82,897.50		32,502.75	140,865.38
2037	2038	24,772.13	80,645.25		36,886.50	142,303.88
2038	2039	24,079.13	78,393.00		35,847.00	138,319.13
2039	2040	23,354.63	81,288.38		34,760.25	139,403.25
2040	2041	22,630.13	78,752.63		33,673.50	135,056.25
2041	2042	27,155.63	81,466.88		32,586.75	141,209.25
						\$3,587,382.75

73129950v1

ADOPTED this 25th day of April, 2022.

SIGNED:

Mayor

ATTEST:

City Administrator

The foregoing motion was duly seconded by Member O'Donnell-Ebner and upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 2 – BOARD OF APPEAL MEETING

At 5:35 PM the City council convened the annual Board of Appeal and Equalization meeting. The Winona County and Houston County Assessors were present. Lucas Onstad, Houston County Assessor gave a presentation on the Board of Appeal process. Mayor Poellinger then opened the meeting to the public.

The following members of the public wished to address the City Council and representatives from the Houston County and Winona County Assessor's Office for appeals:

Geoff Dawes – 229 N. 2nd St., 314 1st St. North, and 518 Main Street – Following discussion Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTIES OWNED BY GEOFF DAWES AT 229 N. 2ND ST, 314 1ST ST. N, AND 518 MAIN STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Ryan Hutchinson and Cherryl Jostad voted against the same. The motion was declared duly carried by a 3-2 vote.

Ricardo Acevedo – 1504 Claudia Ave. Following discussion Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY RICARDO ACEVEDO AT 1504 CLAUDIA AVE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Cherryl Jostad voted against the same. The motion was declared duly carried by a 4-1 vote.

Charity George – 408 N. 14th St. – Property was reassessed prior to the meeting. Adjusted value \$418,900. Following discussion Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE TO REDUCE THE ESTIMATED MARKET VALUE TO \$418,900 FOR PROPERTY OWNED BY CHARITY GEORGE AT 408 N. 14TH ST.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Keith Myhre – 705 12th Court – Following discussion Member Jostad made a motion, seconded by Member Hutchinson as follows:

MOTION TO CONTINUE THE ESTIMATED MARKET VALUE FOR PROPERTY OWNER KEITH MYHRE AT 705 12TH COURT TO THE MAY 11TH CITY COUNCIL MEETING.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Dale Williams	Yes

Members Teresa O'Donnell-Ebner and Mayor Mike Poellinger voted against the same. The motion was duly carried by a 3-2 vote.

Ryan Hanifl – 238 Shore Acres includes 4 parcels – following discussion Member Williams made a motion, seconded by Member O'Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTIES OWNED BY THE HANIFL FAMILY AT 238 SHORE ACRES DR.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Cheryl Jostad voted against the same. The motion was declared duly carried by a 4-1 vote.

Jim Czechowicz – 325 S. 1st Street – following discussion Member Williams made a motion, seconded by member O'Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY JIM CZECHOWICZ AT 325 S. 1ST STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Cheryl Jostad voted against the same. The motion was declared duly carried by a 4-1 vote.

Jerry Nelson – 803 Oak Terrace – following discussion Member Williams made a motion, seconded by Member O'Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY JERRY NELSON AT 803 OAK TERRACE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Ryan Hutchinson and Cheryl Jostad voted against the same. The motion was declared duly carried by a 3-2 vote.

Tim Grupa representing Alex Grupa – 611 S. 2nd St. - Property was reassessed prior to the meeting. Adjusted value \$184,900. Following discussion Member O’Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE TO REDUCE THE ESTIMATED MARKET VALUE TO \$184,900 FOR PROPERTY OWNED BY ALEX GRUPA AT 611 S. 2ND STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O’Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Tim Grupa representing Jack Grupa – 316 S. Hill St. – following discussion Member O’Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY JACK GRUPA AT 316 S. HILL ST.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O’Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Ryan Hutchinson and Cherryl Jostad voted against the same. The motion was declared duly carried by a 3-2 vote.

Tim Grupa – 926 Birch St. – following discussion Member O’Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY TIM GRUPA AT 926 BIRCH STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O’Donnell-Ebner	Yes
Dale Williams	Yes

Mike Poellinger Yes

and none voted against the same. The motion was declared duly carried.

Dan Heth – 22 N. Elm St. – following discussion Member Williams made a motion, seconded by Member O’Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY DAN HETH AT 22 N. ELM STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O’Donnell-Ebner Yes
Dale Williams Yes
Mike Poellinger Yes

Member Cheryl Jostad voted against the same and Member Hutchinson abstained. The motion was declared duly carried by a 3-1 vote.

Brian Blair – 715 Hillcrest Ave. – following discussion Member Williams made a motion, seconded by Member O’Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY BRIAN BLAIR AT 715 HILLCREST AVE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O’Donnell-Ebner Yes
Dale Williams Yes
Mike Poellinger Yes

Members Cheryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

Rose Tande – 226 N. 4th St. – following discussion Member O’Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY ROSE TANDE AT 226 N. 4TH STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O’Donnell-Ebner Yes
Dale Williams Yes

Mike Poellinger Yes

Members Cheryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

Jeff Main – 52 Mc Intosh Rd. E. – Following discussion Member Hutchinson made a motion, seconded by Member Jostad as follows:

MOTION TO ADJUST THE ESTIMATED MARKET VALUE TO \$750,000 BASED ON THE FINDINGS AS PRESENTED FOR PROPERTY OWNED BY JEFF MAIN AT 52 MC INTOSH EAST.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cheryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Linda Gasper – 618 N. 2nd St. – following discussion Member Williams made a motion, seconded by Member Hutchinson as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY LINDA GASPER AT 618 N. 2ND STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cheryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Mike Mishler – 813 Stoney Point Rd. – following discussion Member Williams made a motion, seconded by Member O'Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY MIKE MISHLER AT 813 STONEY POINT RD.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Cherryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

Tony Grupa – 232 Red Apple Dr. – following discussion Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY TONY GRUPA AT 232 RED APPLE DRIVE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Cherryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

Bruce Bauer – 229 N. 1st St. – following discussion member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY BRUCE BAUER AT 229 N. 1ST STREET.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Cherryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

Rick James – 714 Riverview Ave. – following discussion, Member Hutchinson made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY RICK JAMES AT 714 RIVERVIEW AVENUE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Cheryl Josted voted against the same. The motion was declared duly carried by a 4-1 vote.

Ryan Hutchinson – 610 Mc Intosh Rd. – following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY RYAN HUTCHINSON AT 610 MC INTOSH ROAD.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Cheryl Jostad voted against the same and Member Hutchinson abstained. The motion was declared duly carried by a 3-1 vote.

Teresa O'Donnell-Ebner – 57 Mc Intosh Rd. E. – following discussion, Member Williams made a motion, seconded by Member Hutchinson as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY TERESA O'DONNELL-EBNER AT 57 MC INTOSH ROAD EAST.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Cheryl Jostad voted against the same and Member O'Donnell-Ebner abstained. The motion was declared duly carried by a 3-1 vote.

Cheryl Jostad – 117 Hillview Blvd – following discussion, Member Williams made a motion seconded by Member O'Donnell-Ebner as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY CHERRYL JOSTAD AT 117 HILLVIEW BLVD.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Ryan Hutchinson voted against the same and Member Jostad abstained. The motion was declared duly carried by a 3-1 vote.

Christie Alioto represented by Houston County Assessor's office – 240 Red Apple Dr. – Property was reassessed prior to meeting. Adjusted value \$371,000. Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE TO REDUCE THE ESTIMATED MARKET VALUE TO \$371,000 FOR PROPERTY OWNED BY CHRISTIE ALIOTO AT 240 RED APPLE DRIVE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Cheryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

Tim Ferrier – 526 Red Apple Dr. (Winona County). Following discussion Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO MAKE NO CHANGE TO THE ESTIMATED MARKET VALUE FOR PROPERTY OWNED BY TIM FERRIER AT 526 RED APPLE DRIVE.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Member Jostad voted against the same. The motion was declared duly carried by a 4-1 vote.

Amanda Byom represented by Winona County Assessor's Office - 525 Red Apple Dr. – Property was reassessed prior to meeting. Adjusted value \$459,200. Following discussion, Member O'Donnell-Ebner made a motion seconded by Member Williams as follows:

MOTION TO APPROVE TO REDUCE THE ESTIMATED MARKET VALUE TO \$459,200 FOR PROPERTY OWNED BY AMANDA BYOM AT 525 RED APPLE DR.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

Members Cheryl Jostad and Ryan Hutchinson voted against the same. The motion was declared duly carried by a 3-2 vote.

The following property owners appealed their valuation and have resolved the appeal with Houston County Assessor's Office prior to the meeting.

Patricia Balacek – 68 McIntosh East – value adjusted down by \$18,100
Sara Barnam – 420 Larch Ave – value adjusted down by \$8,700
Janet Koljord – 317 N. 2nd St. – value adjusted down by \$10,900
Eunice Mann/Keri Guilliam – 122 Dell Ave. – value adjusted down by \$25,800
Nancy Miller – 408 Shore Acres - value adjusted down by \$16,600
Vicki Muller – 724 Welshire Dr. – value adjusted down by \$3,900
Lisa Smith – 176 McInotsh East – value adjusted down by \$25,500
Mary Will – 415 S. 7th St. – value adjusted down by \$13,700
Dennis and Tammy Zee – 224 Red Apple Dr. – value adjusted down by \$30,400

Following discussion Member O'Donnell-Ebner made a motion, seconded by Member Jostad as follows:

MOTION TO ADOPT THE RECOMMENDATION OF THE HOUSTON COUNTY ASSESSOR AND REDUCE THE ESTIMATED MARKET VALUE OF THE PROPERTY FOR CITY OF LA CRESCENT PROPERTY OWNERS AS PRESENTED.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof viz;

Ryan Hutchinson	Yes
Cheryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Mayor Poellinger closed the public meeting at 8:30 p.m. It was recommended to recess the Board of Appeal meeting until May 11th, 2022 at 5:45 to be located at La Crescent City Hall. Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Jostad as follows:

MOTION TO RECESS THE BOARD OF EQUALIZATION MEETING UNTIL MAY 11, 2022 AT 5:45 AT LA CRESCENT CITY HALL.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 3.2 – PLANNING COMMISSION MINUTES – 4/5/2022

Attorney Wieser presented City Council with a continuation from April 5, 2022 meeting, a draft resolution approving an Interim Use Permit to allow for the outdoor parking and storage of vehicles, including buses. Legal counsel for the applicant has indicated a willingness to have the City issue an Interim Use Permit as opposed to a Conditional Use Permit. Following discussion, Member Williams introduced the following resolution and moved its passage and adoption:

RESOLUTION NO. 04-22-14

RESOLUTION APPROVING AN INTERIM USE PERMIT TO ALLOW OUTDOOR PARKING AND STORAGE VEHICLES INCLUDING BUSES

WHEREAS, Rouleau Properties LLC ("Applicant") has submitted an application for a Conditional Use Permit to allow outdoor parking and storage vehicles including buses at 215 Chestnut Street South in the City of La Crescent, Minnesota; and

WHEREAS, the property is legally described as follows:

See attached Exhibit A. Houston County Tax Parcel No. 25.0067.000.

WHEREAS, the Planning Commission has considered the Applicant's request at a duly noticed Public Hearing which took place on March 1, 2022 and April 5, 2022, and has recommended approval to the City Council; and

WHEREAS, the City Council for the City of La Crescent has considered the Planning Commission's recommendation at its April 11, 2022 City Council meeting;

WHEREAS, THE City Council has reviewed the application with the Applicant along with the surrounding areas and discussed potential for future redevelopment and other recreational activities;

WHEREAS, Applicant and City Council agree that interim use permit is more appropriate in this situation that a conditional use permit and Applicant consents to the issuance of an Interim Use Permit;

WHEREAS, City Council of the City of La Crescent finds the proposed use to be reasonable at the present time and will terminate at an identified date with certainty in the future.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of La Crescent hereby approves the request of Rouleau Properties LLC for an Interim Use Permit after review.

FURTHER BE IT RESOLVED that the following conditions of approval of the Interim Use Permit shall be met:

1. The Applicant will abide by all representations made by the Applicant or their agents made during the permitting process, to the extent those representations were not negated by the Planning Commission or City Council and to the extent they are not inconsistent with the spirit of letter explicit conditions of the conditional use permit.
2. The Applicant complies with all applicable federal, state, and local regulations.
3. Applicant shall restrict access to Chestnut Street to the existing access points.
4. Applicant shall maintain an eight (8) foot clear space from the curb.
5. Applicant shall maintain the protective bollards located by the hydrant.
6. All maintenance of the parking facilities is the sole responsibility of Applicant.
7. No more than one (1) semi will be allowed to be stored on the property described on Exhibit A at one time.
8. This Interim Use Permit will terminate upon the sale or conveyance of the property Described on Exhibit A to any third party or change in ownership of Applicant.
9. applicant shall defend and indemnify and hold harmless the City of La Crescent and its employees, successors and assigns from and against all claims, demands, and causes of action for injury to or death of persons or loss of or damage to property (including Applicant's property) occurring within the City right of way lying west and adjacent to the real property described on Exhibit A and east of the existing curb ("Right of Way") or connected with Applicant's use and occupancy of the City Right of Way.

ADOPTED this _____ day of April, 2022.

SIGNED:

Mayor

ATTEST:

City Administrator

ACKNOWLEDGEMENT

Rouleau Properties LLC hereby consents to the issuance of an Interim Use Permit in lieu of a Conditional Use Permit after being fully advised by Applicants legal counsel and amends any previous applications to reflect the same.

By: _____
Its: _____

State of Minnesota, County of Houston

This instrument was acknowledged before me on this _____ day of _____, 2022, by _____ as _____ of Rouleau Properties LLC.

Notary Public

EXHIBIT "A"

LOT SEVEN (7), AND THAT PART OF LOT EIGHT (8) LYING ON THE WESTERLY SIDE OF THE RIGHT-OF-WAY OF THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD COMPANY, ALL IN BLOCK TWELVE (12) MANTON PLAT, IN THE CITY (FORMERLY VILLAGE) OF LA CRESCENT TOGETHER WITH THE FOURTEEN FEET SOUTH THEREOF, AND NEXT ADJACENT THERETO, BEING THE NORTH FOURTEEN FEET OF "F" STREET, VACATED, ALL ACCORDING TO THE RECORDED PLAT THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE HOUSTON COUNTY RECORDER.

ALL OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY'S OPERATING RIGHT-OF-WAY LYING IN LOTS EIGHT (8) AND NINE (9), BLOCK TWELVE (12) OF "MANTON PLAT", ALSO KNOWN AS THE "ORIGINAL PLAT" OF THE CITY (FORMERLY VILLAGE) OF LA CRESCENT, HOUSTON COUNTY, MINNESOTA, WHICH LIES PERPENDICULARLY NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: COMMENCING AT A POINT ON THE NORTH LINE OF SAID LOT NINE (9) WHICH IS 7.56 FEET SOUTH 89°33' EAST OF THE NORTHWEST CORNER OF SAID LOT NINE (9), THENCE SOUTH 20°45'30" WEST A DISTANCE OF 128.97 FEET TO A POINT ON THE NORTH LINE OF "F" STREET 93.67 FEET SOUTH 89°32'30" EAST OF THE SOUTHWEST CORNER OF SAID BLOCK TWELVE (12).

PART OF THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER (S1/2 S1/2 SW1/4 NE1/4) OF SECTION TEN (10), TOWNSHIP ONE HUNDRED FOUR (104), RANGE FOUR (4) DESCRIBED AS BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE STATE HIGHWAY, WHICH IS A CONTINUATION OF "F" STREET IN THE CITY (FORMERLY VILLAGE) OF LA CRESCENT, WITH THE WESTERLY LINE OF THE RIGHT-OF-WAY OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, THENCE SOUTHWESTERLY ALONG SAID RIGHT-OF-WAY 357 FEET MORE OR LESS TO THE QUARTER SECTION LINE, THENCE WEST ALONG SAID QUARTER SECTION LINE 100 FEET, THENCE NORTHEASTERLY PARALLEL TO SAID RIGHT-OF-WAY 357 FEET MORE OR LESS TO THE SAID STATE HIGHWAY, THENCE EASTERLY ALONG SAID STATE HIGHWAY TO THE POINT OF BEGINNING, MORE PARTICULARLY DESCRIBED AS ALL THAT PART OF THE ABOVE DESCRIBED LAND LYING WEST OF THE WESTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY AND EAST OF THE EASTERLY LINE OF A HIGHWAY 66 FEET IN WIDTH, BEING 33 FEET IN WIDTH ON EACH SIDE OF A CENTER LINE, SAID CENTER LINE BEING DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF "F" STREET IN THE CITY (FORMERLY VILLAGE) OF LA CRESCENT, WHICH POINT IS DISTANCE 130.2 FEET WESTERLY FROM THE INTERSECTION OF SAID SOUTH LINE OF "F" STREET AND THE CENTER LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY RIGHT-OF-WAY, THENCE RUNNING IN A SOUTHEASTERLY DIRECTION ALONG A 12" CURVE WITH DELTA ANGLE OF 91°17' AND RADIUS OF 477.5 FEET FOR A DISTANCE OF 120.7 FEET TO A POINT ON THE WEST LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY RIGHT-OF-WAY AND THERE TERMINATING AT A POINT 115.9 FEET SOUTHWESTERLY FROM THE SOUTH LINE OF SAID "F" STREET.

THAT PART OF THE FOLLOWING DESCRIBED LAND LYING SOUTH OF THE NORTH LINE OF "F" STREET; ALL OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY'S OPERATING RIGHT-OF-WAY LYING IN LOTS EIGHT (8) AND NINE (9), BLOCK TWELVE (12) OF "MANTON PLAT" ALSO KNOWN AS THE "ORIGINAL PLAT" OF THE CITY (FORMERLY VILLAGE) OF LA CRESCENT, HOUSTON COUNTY, MINNESOTA, AND PART OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER (SW1/4 NE1/4) OF SECTION TEN (10), TOWNSHIP

ONE HUNDRED FOUR (104) NORTH, RANGE FOUR (4) WEST, HOUSTON COUNTY, WHICH LIES EASTERLY OF THE EASTERLY RIGHT OF WAY OF CHESTNUT STREET, AND PERPENDICULARLY NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: COMMENCING AT A POINT ON THE NORTH LINE OF SAID LOT NINE (9) WHICH IS 7.56 FEET SOUTH 89°33' EAST OF THE NORTHWEST CORNER OF SAID LOT NINE (9), THENCE SOUTH 20°45'30" WEST A DISTANCE OF 128.97 FEET TO A POINT ON THE NORTH LINE OF "F" STREET 93.67 FEET SOUTH 89°32'30" EAST OF THE SOUTHWEST CORNER OF SAID BLOCK TWELVE (12), THENCE CONTINUE SOUTH 20°45'30" WEST A DISTANCE OF 250 FEET AND THERE TERMINATING, THE ABOVE DESCRIBED LINE BEING A LINE PARALLEL WITH AND 40 FEET NORTH 69°14'30" WEST OF THE CENTERLINE OF THE EXISTING MAIN TRACT OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY.

AND THAT PART OF THE SOUTH HALF OF THE PUBLIC ALLEY IN BLOCK 12 OF MANTON PLAT FROM CHESTNUT STREET EAST TO THE RIGHT OF WAY OF THE RAILROAD.

EXCEPT ALL MINERALS IN ALL OF THE ABOVE DESCRIBED LANDS.

SUBJECT TO AN EASEMENT FOR INGRESS AND EGRESS AS DESCRIBED IN THE WARRANTY DEED DATED JUNE 3, 1998 AND RECORDED JUNE 3, 1998 AS DOCUMENT NO. 194866.

The foregoing motion was duly seconded by Member Hutchinson and upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Attorney Wieser presented City Council a proposed text amendment permitting outdoor parking and storage of commercial vehicles, including buses, as an Interim Use in the C-1 Zoning District. Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Hutchinson as follows:

MOTION TO APPROVE THE TEXT AMENDMENT PERMITTING OUTDOOR PARKING AND STORAGE OF COMMERCIAL VEHICLES, INCLUDING BUSES, AS AN INTERIM USE IN THE C-1 ZONING DISTRICT.

ORDINANCE NO. 558

AN ORDINANCE OF THE CITY OF LA CRESCENT AMENDING CHAPTER 12 OF THE ZONING ORDINANCE

The City Council of the City of La Crescent, Houston County, Minnesota, hereby ordains:

SECTION I. That Chapter 12 of the Zoning Ordinance is hereby amended as follows:

12.22 C1 – HIGHWAY COMMERCIAL DISTRICT (C-1)

Subd. 5. INTERIM USES

A. Outdoor parking and storage of commercial vehicles, including busses.

SECTION II. This provision shall become effective from and after due passage and enactment and publication, according to law.

Passed and enacted this _____ day of _____, 2022.

SIGNED:

Mayor

ATTEST:

City Administrator

ITEM 3.3 – 2022 LICENSE APPLICATION

City Council reviewed a 2022 license renewal application. The application appears to be in order, and it was recommended to City Council to approve the license renewal application. Following discussion, Member Hutchinson made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE THE 2022 LICENSE RENEWAL FOR CANTON HEATING AND COOLING LLC.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 3.4 – 2022 LIBRARY SUMMER READING PROGRAM

City Council reviewed a letter from Library Director, Jess Witkins asking for use of City space, police services, and public works services for the Library Summer Reading Program. Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE USE OF CITY SPACE, POLICE SERVICES, AND PUBLIC WORK SERVICES FOR THE LIBRARY SUMMER READING PROGRAM.

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 6.1 STAFF CORRESPONDENCE/COMMITTEE UPDATES – EXPLORE LA CROSSE

City Council reviewed the Agenda from the April 19, 2022 La Crosse County Convention & Visitors Bureau Board Meeting, which included the Minutes from the March 2022 Board Meeting. No action taken.

ITEM 7.1 CORRESPONDENCE – ARBOR DAY FOUNDATION

City Council reviewed a letter from the Arbor Day Foundation congratulating the city on earning recognition as a 2021 Tree City USA. No action taken.

ITEM 8.1 HOUSTON COUNTY

Houston County Commissioner, Dewey Severson, updated City Council on County activities.

ITEM 9.1 CHAMBER OF COMMERCE

Jon Wilson of the La Crescent Chamber of Commerce was in attendance and had no updates.

There being no further business to come before the council at this time, Member O'Donnell-Ebner made a motion, seconded by Member Hutchinson to adjourn the meeting. Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

Ryan Hutchinson	Yes
Cherryl Jostad	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried and the meeting duly adjourned at 8:46 P.M.

APPROVAL DATE: _____

SIGNED:

Mayor

ATTEST:

City Administrator